

## FIFTEENTH DAY.

Senate Chamber,  
Austin, Texas,

Saturday, August 13, 1910.

Senate met pursuant to adjournment, Lieutenant Governor A. B. Davidson presiding.

Roll call, quorum being present, the following Senators answering to their names:

Alexander.	Paulus.
Brachfield.	Peeler.
Bryan.	Real.
Cofer,	Senter.
Greer.	Sturgeon.
Harper.	Terrell of Bowie.
Holsey.	Terrell of McLennan.
Hudspeth.	Terrell of Wise.
Hume.	Veale.
Kauffman.	Ward.
Mayfield.	Watson.
Meachum.	Weinert.
Murray.	Willacy.

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

Prayer by the Chaplain, Rev. H. M. Sears.

Pending the reading of the Journal of yesterday, on motion of Senator Weinert, the same was dispensed with.

(See Appendix for committee reports.)

## BILLS AND RESOLUTIONS.

By Senator Greer:

Senate bill No. 22, A bill to be entitled "An Act to amend Sections 6 and 7 of Chapter 69 of the Local and Special Laws of the Thirtieth Legislature, being entitled 'An Act to amend the special road law of Van Zandt county, Texas,' as enacted by the Twenty-eighth Legislature and sent to the Governor for approval on the 18th of March, 1903, and to authorize and empower the commissioners court of said county to issue bonds for the permanent improvement of the public roads of said county, and declaring an emergency."

Read first time and referred to Committee on Roads, Bridges and Ferries.

Morning call concluded.

## EXECUTIVE SESSION.

The Chair here announced that the hour for the Senate to go into executive

session had arrived and directed the Chamber cleared of all those not entitled to remain.

In executive session the following confirmation was made:

E. A. Berry of Madison county to be district attorney of the Twelfth Judicial District.

## IN THE SENATE.

## HOUSE BILL NO. 40.

On motion of Senator Real the pending order of business (Senate bill No. 5) was suspended, and the Senate took up, out of its order, House bill No. 40, by the following vote:

Yeas—24.

Alexander.	Peeler.
Brachfield.	Real.
Bryan.	Senter.
Cofer.	Sturgeon.
Greer.	Terrell of Bowie.
Harper.	Terrell of McLennan.
Holsey.	Terrell of Wise.
Hume.	Veale.
Mayfield.	Ward.
Meachum.	Watson.
Murray.	Weinert.
Paulus.	Willacy.

Absent.

Hudspeth.	Kauffman.
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Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

On motion of Senator Real the Senate rule requiring committee reports to lie over for one day was suspended, for the purpose of considering this bill (see Appendix for committee report), by the following vote:

Yeas—25.

Alexander.	Peeler.
Brachfield.	Real.
Bryan.	Senter.
Cofer.	Sturgeon.
Greer.	Terrell of Bowie.
Harper.	Terrell of McLennan.
Holsey.	Terrell of Wise.
Hume.	Veale.
Kauffman.	Ward.
Mayfield.	Watson.
Meachum.	Weinert.
Murray.	Willacy.
Paulus.	

Absent.

Hudspeth.
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## Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

On motion of Senator Real, the committee report, which provided that the bill be not printed, was adopted.

The Chair laid before the Senate, on second reading,

House bill No. 40, A bill to be entitled "An Act to incorporate the city of San Antonio, Bexar county, Texas, and to grant it a new charter; to provide for a commission form of government; to define its powers and to prescribe its duties and liabilities; to provide for the approval of said charter by the qualified electors of said city, and to declare an emergency, and to repeal all acts in conflict herewith."

Bill read second time, and ordered engrossed.

On motion of Senator Real, the constitutional rule requiring bills to be read on three several days was suspended, and the bill put on its third reading and final passage by the following vote:

## Yeas—26.

Alexander.	Paulus.
Brachfield.	Peeler.
Bryan.	Real.
Cofer.	Senter.
Greer.	Sturgeon.
Harper.	Terrell of Bowie.
Holsey.	Terrell of McLennan.
Hudspeth.	Terrell of Wise.
Hume.	Veale.
Kauffman.	Ward.
Mayfield.	Watson.
Meachum.	Weinert.
Murray.	Willacy.

## Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

The bill was read third time, and passed by the following vote:

## Yeas—26.

Alexander.	Mayfield.
Brachfield.	Meachum.
Bryan.	Murray.
Cofer.	Paulus.
Greer.	Peeler.
Harper.	Real.
Holsey.	Senter.
Hudspeth.	Sturgeon.
Hume.	Terrell of Bowie.
Kauffman.	Terrell of McLennan.

Terrell of Wise.	Watson.
Veale.	Weinert.
Ward.	Willacy.

## Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

Senator Real moved to reconsider the vote by which the bill was passed, and lay that motion on the table.

The motion to table prevailed.

## FIRST HOUSE MESSAGE.

Hall of the House of Representatives,  
Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

House bill No. 15, A bill to be entitled "An Act to amend Section 14 of Chapter 17, of the Acts of the Regular Session of the Thirty-first Legislature, the same being 'An Act to amend Chapter 138 of the Acts of the Thirtieth Legislature, approved April 18, 1907, the same being "An Act to regulate the sale and disposition of spirituous, vinous and malt liquors and medicated bitters capable of producing intoxication, and the places wherein same are sold; imposing an occupation tax upon persons, firms, corporations and associations of persons, selling spirituous, vinous or malt liquors or medicated bitters capable of producing intoxication; requiring retail liquor dealers and other persons to secure license to sell such liquors; and defining retail liquor dealers and regulating the business thereof; requiring retail malt dealers and other persons to secure license to sell malt liquors exclusively, capable of producing intoxication; and defining retail malt dealers and regulating the business thereof; exempting wine growers who sell wine of their own production from the provisions of this act; providing same is not sold to be drunk on the premises where sold, and otherwise regulating of such wine growers; regulating the transfer of license of retail liquor dealers and retail malt dealers; prescribing the condition of the bonds of such retail dealers and the conditions upon which licenses to such dealers and other persons may be issued; providing for the refund of any unearned portion of any license; requiring the

county clerk to report all licenses granted to the Comptroller of Public Accounts; providing for the revocation under certain conditions of licenses issued; defining intoxicating liquors and providing penalties for the violation of the provisions of this act, and declaring an emergency," and adding Sections 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 10a and 35a, prescribing the methods and procedure by which liquor licenses may be obtained, transferred and forfeited, and prescribing the manner for the ascertainment of the facts upon which forfeiture is based, and prescribing the duties of the county judge, Comptroller of Public Accounts and the county attorney and other proper officers in regard thereto, and repealing all laws or parts of laws in conflict herewith; requiring licenses to be issued under this act and prescribing the continuation in force of licenses issued under prior laws for sixty days after this act takes effect in order to give time for securing licenses under this act, and providing that credit be allowed upon licenses to be obtained under this act in an amount equal to the unearned portion or part of any existing license, and declaring an emergency,' by amending Section 14 so as to require every person or firm who are engaged in the sale of intoxicating liquors or who may hereafter become engaged in the sale of intoxicating liquors in any locality in this State other than where local option is enforced to keep such places of business closed from and after 6 o'clock p. m. until 7 o'clock a. m. of the next day, and to keep such places closed from 6 o'clock p. m. on Saturday until 7 o'clock a. m. on the following Monday of each week, and forbidding sale of any intoxicating liquors or the transaction of any business in such places within said hours, and prescribing penalties therefor, and declaring an emergency."

Also adopted the report of the Free Conference Committee on Senate bill No. 7 by the following vote: Yeas, 90; nays, 0.

Also adopted the report of the Free Conference Committee on House bill No. 5 by the following vote: Yeas, 91; nays, 0.

Respectfully,

BOB BARKER,

Chief Clerk, House of Representatives.

## BILL READ AND REFERRED.

The Chair (Lieutenant Governor Davidson) referred, after its caption had been read, the following House bill:

House bill No. 15, referred to Judiciary Committee No. 2.

## REPORT OF FREE CONFERENCE COMMITTEE ON HOUSE BILL NO. 5.

Senator Ward offered the following Free Conference Committee report on House bill No. 5:

Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate, and Hon. John Marshall, Speaker of the House of Representatives.

Sirs: We, your Free Conference Committee, appointed on House bill No. 5, A bill to be entitled "An Act to prohibit the exhibition of prize fights or glove contests or any obscene, indecent or immoral show, or exhibition by means of moving picture films, bioscopes, magic lanterns or other devices, in moving picture shows, theaters, or any other place whatsoever, by any person, association, corporation, or any agent or employe of any person, association, corporation or receiver, firm or person, providing penalties therefor, and declaring an emergency; and to repeal all laws in conflict with this act; and providing that this act shall in no way repeal or be in conflict with Chapter 10, Articles 1005 and 1005a, of the Penal Code of Texas; and declaring an emergency," have had the same under consideration and beg leave to report as follows:

Strike out all of the Senate substitute and insert in lieu thereof the following:

An Act to prohibit the exhibition of prize fights or glove contests and any obscene, indecent or immoral show or exhibition by means of moving picture films, bioscopes, magic lanterns or other devices, in moving picture shows, theaters, or any other place whatsoever, by any person, association, corporation or any agent or employe of any person, association, corporation or receiver, firm or person; providing penalties therefor, and declaring an emergency; and to repeal all laws in conflict with this act; and providing that this act shall in no way repeal or be in conflict with Chapter 10, Articles 1005 and 1005a, of the Penal Code of Texas; and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. It shall be unlawful for any person, association, corporation, or any agent or employe of any person, association, corporation or receiver, partnership, or firm to give or present to the public an exhibition of prize fights or glove contests or of any obscene, indecent or immoral picture of any character whatsoever by means of moving picture films, bioscopes, vitiscopes, magic lanterns or other device or devices in moving picture shows, theaters or any other place whatsoever.

Sec. 2. Any person or persons, association, or any agent or employe of any person, association, corporation or receiver violating any of the provisions of Section 1 of this act, shall upon conviction thereof, be fined in any sum not less than one hundred dollars and not more than one thousand dollars, or be imprisoned in the county jail for not less than ten nor more than sixty days, or both, in the discretion of the court or jury, and each day's violation of any of the provisions of this act shall constitute and be punishable as a separate offense.

Sec. 3. All laws and parts of laws in conflict herewith be and the same are hereby repealed. But this act shall in no way repeal or be in conflict with Chapter 10, Articles 1005 and 1005a, of the Penal Code of Texas.

Sec. 4. The fact that there is no general law in force in this State preventing the unlawful exhibiting of prize fighting between man and man, and man and beast, and the exhibiting of obscene views of persons and beasts by moving pictures and other devices, constitute an imperative public necessity that the constitutional rule requiring bills to be read in each house of the Legislature on three several days be suspended, and that this act shall take effect from and after its passage, and it is so enacted.

WARD,  
ALEXANDER,  
COFER,  
HARPER,

On part of the Senate.

BOWLES,  
HAMILTON of Childress,  
GILMORE,

On part of the House.

The report was read, and

On motion of Senator Ward, the report was adopted by the following vote:

Yeas—23.

Alexander.            Bryan.  
Brachfield.        Cofer.

Greer.	Sturgeon.
Harper.	Terrell of Bowie.
Holsey.	Terrell of McLennan.
Hudspeth.	Terrell of Wise.
Mayfield.	Veale.
Meachum.	Ward.
Paulus.	Watson.
Peeler.	Weinert.
Real.	Willacy.
Senter.	

Nays—3.

Kauffman.	Murray.
Hume.	

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

Senator Ward moved to reconsider the vote by which the report was adopted, and lay that motion on the table.

The motion to table prevailed.

#### HOUSE BILL NO. 29.

On motion of Senator Peeler, the pending order of business (Senate bill No. 5) was suspended and the Senate took up, out of its order, House bill No. 29 by the following vote:

Yeas—25.

Alexander.	Paulus.
Brachfield.	Peeler.
Bryan.	Real.
Cofer.	Senter.
Greer.	Terrell of Bowie.
Harper.	Terrell of McLennan.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.
Murray.	

Absent.

Sturgeon.  
Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

The Chair laid before the Senate, on second reading,

House bill No. 29, A bill to be entitled "An Act to amend an act entitled 'An Act granting Palestine, Anderson county, Texas, a new charter of corporation, repealing all laws and parts of laws in conflict therewith, and declaring an emergency,' passed by the Thirty-first Legislature and approved March 19, 1909; said act to be amended by adding after

Article 13 of the same Article 13a, restricting the location or maintenance of any places where spirituous, vinous or malt liquors or medicated bitters capable of producing intoxication are sold at retail, to certain streets in said city."

On motion of Senator Peeler, the committee report, which provided that the bill be not printed, was adopted.

The bill was read second time and passed to third reading.

#### SENATE BILL NO. 22.

On motion of Senator Greer, the pending order of business (Senate bill No. 5) was suspended and the Senate took up, out of its order, Senate bill No. 22 by the following vote:

##### Yeas—24.

Alexander.	Murray.
Brachfield.	Paulus.
Bryan.	Peeler.
Cofer.	Real.
Greer.	Senter.
Harper.	Terrell of Bowie.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.

##### Absent.

Sturgeon. Terrell of McLennan.

##### Absent—Excused.

Adams. Perkins.  
Kellie. Ratliff.

On motion of Senator Greer, the constitutional rule requiring bills to be read on three several days was suspended and the bill put on its second reading by the following vote:

##### Yeas—24.

Alexander.	Murray.
Brachfield.	Paulus.
Bryan.	Peeler.
Cofer.	Real.
Greer.	Senter.
Harper.	Terrell of Bowie.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.

##### Absent.

Sturgeon. Terrell of McLennan.

##### Absent—Excused.

Adams. Perkins.  
Kellie. Ratliff.

On motion of Senator Greer, the Senate rule requiring committee reports to lie over for one day was suspended, for the purpose of considering this bill (see Appendix for committee report), by the following vote:

##### Yeas—24.

Alexander.	Murray.
Brachfield.	Paulus.
Bryan.	Peeler.
Cofer.	Real.
Greer.	Senter.
Harper.	Terrell of Bowie.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.

##### Absent.

Sturgeon. Terrell of McLennan.

##### Absent—Excused.

Adams. Perkins.  
Kellie. Ratliff.

On motion of Senator Greer, the committee report, which provided that the bill be not printed, was adopted.

The Chair laid before the Senate, on second reading,

Senate bill No. 22, A bill to be entitled "An Act to amend Sections 6 and 7 of Chapter 69 of the Local and Special Laws of the Thirtieth Legislature, being entitled 'An Act to amend the special road law of Van Zandt county, Texas,' as enacted by the Twenty-eighth Legislature, and sent to the Governor for approval on the 18th of March, 1903, and to authorize and empower the commissioners court of said county to issue bonds for the permanent improvement of the public roads of said county, and declaring an emergency."

Bill read second time, and ordered engrossed.

On motion of Senator Greer, the constitutional rule requiring bills to be read on three several days was suspended and the bill put on its third reading and final passage by the following vote:

## Yeas—25.

Alexander.	Paulus.
Brachfield.	Peeler.
Bryan.	Real.
Cofer.	Senter.
Greer.	Sturgeon.
Harper.	Terrell of McLennan.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.
Murray.	

Absent.

Terrell of Bowie.

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

The bill was read third time and passed by the following vote:

## Yeas—25.

Alexander.	Paulus.
Brachfield.	Peeler.
Bryan.	Real.
Cofer.	Senter.
Greer.	Sturgeon.
Harper.	Terrell of McLennan.
Holsey.	Terrell of Wise.
Hudspeth.	Veale.
Hume.	Ward.
Kauffman.	Watson.
Mayfield.	Weinert.
Meachum.	Willacy.
Murray.	

Absent.

Terrell of Bowie.

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

Senator Greer moved to reconsider the vote by which the bill was passed, and lay that motion on the table.

The motion to table prevailed.

## RECESS.

On motion of Senator Meachum, the Senate, at 3:15 o'clock, recessed until 4:15 o'clock this afternoon.

## AFTER RECESS.

The Senate was called to order by Lieutenant Governor Davidson.

## SENATE BILL NO. 17.

Senator Cofer called up Senate bill No. 17, which was on the President's table subject to call.

The Chair laid before the Senate, on second reading,

Senate bill No. 17, A bill to be entitled "An Act to prevent the drinking of intoxicating liquors on premises owned, controlled or occupied by clubs, lodges or other associations of persons in counties, subdivisions of counties, cities and towns where the sale of intoxicating liquors has been or where same may hereafter be legally prohibited under the laws of this State, and declaring an emergency."

The committee report, which provided that the bill be not printed, was adopted.

Senator Meachum offered the following amendment:

Amend the bill at the end of Section 3 by adding after the word "subdivisions" the following: "And provided further that the provisions of this act shall not apply to the use of intoxicants as above defined for sacramental purposes, nor to actual bona fide entertainments or social functions of regularly organized lodges or organizations, or their subordinate lodges, which exist under and by virtue of a lawful charter of the State of Texas and which admit no person to membership under twenty-one years of age."

MEACHUM,  
REAL,  
MURRAY,  
PEELER,  
HUDSPETH,  
TERRELL of McLennan,  
WILLACY,  
KAUFFMAN,  
WEINERT,  
HUME,  
SENER,  
WATSON,  
PAULUS.

Senator Sturgeon offered the following substitute for the above amendment:

Amend the bill by adding the words "except for sacramental purposes" after the word "premises" in line 7. page 74, of the Journal.

Senator Meachum made the point of order that the substitute was not a substitute for the amendment, but an amendment to the amendment:

The Chair overruled the point of order. (Senator Ward in the chair.)

Pending discussion on the amendments.

Senator Mayfield moved the previous question on the amendment and substitute, which motion being duly seconded, was so ordered.

The substitute was lost by the following vote:

Yeas—12.

Alexander.	Mayfield.
Brachfield.	Sturgeon.
Bryan.	Terrell of Bowie.
Cofer.	Terrell of Wise.
Greer.	Veale.
Harper.	Ward.

Nays—14,

Holsey.	Peeler.
Hudspeth.	Real.
Hume.	Senter.
Kauffman.	Terrell of McLennan.
Meachum.	Watson.
Murray.	Weinert.
Paulus.	Willacy.

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

(Lieutenant Governor Davidson in the chair.)

Action recurred on the amendment by Senator Meachum and the same was lost by the following vote:

Yeas—13.

Hudspeth.	Real.
Hume.	Senter.
Kauffman.	Terrell of McLennan.
Meachum.	Watson.
Murray.	Weinert.
Paulus.	Willacy.
Peeler.	

Nays—13.

Alexander.	Mayfield.
Brachfield.	Sturgeon.
Bryan.	Terrell of Bowie.
Cofer.	Terrell of Wise.
Greer.	Veale.
Harper.	Ward.
Holsey.	

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

The vote being a tie. Lieutenant Governor Davidson, who was presiding, voted "nay," and declared the amendment lost.

## SECOND HOUSE MESSAGE.

Hall of the House of Representatives,  
Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bill:

House bill No. 41, A bill to be entitled "An Act to amend Section 4, Article 5 of Chapter 33, Special Laws of the Thirtieth Legislature, entitled 'An Act granting to Denison, Grayson county, Texas, a new charter of incorporation, repealing all laws and parts of laws in conflict herewith, and declaring an emergency,' regulating the appointment and removal of officers and employes of said city, and declaring an emergency."

Respectfully,

BOB BARKER,  
Chief Clerk, House of Representatives.

## THIRD HOUSE MESSAGE.

Hall of the House of Representatives,  
Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bill:

House bill No. 7, A bill to be entitled "An Act providing conditions upon which insurance companies writing contracts or policies of insurance against the hazard of fire may transact business in the State of Texas, and providing for the making, promulgation, regulation and control of schedules, rates and premiums, and forms of policies; and to prevent discrimination therein, and to create a State Insurance Board, and prescribing the duties and authority of said board, and each member thereof; to appropriate money therefor, and to provide penalties for violations of this act, and repealing Chapter 18 of the General Laws of the State of Texas, passed by the First Called Session of the Thirty-first Legislature, and all other laws and parts of laws in conflict therewith, and declaring an emergency."

Respectfully,

BOB BARKER,  
Chief Clerk, House of Representatives.

## BILLS READ AND REFERRED.

The Chair (Lieutenant Governor Davidson) had referred, after their captions had been read, the following House bills:

House bill No. 41, referred to Committee on Towns and City Corporations.

House bill No. 7, referred to Committee on Insurance, Statistics and History.

## RECESS.

Senator Hudspeth moved that the Senate adjourn until 10 o'clock Monday morning.

The motion was lost by the following vote:

Yeas—12.

Hudspeth.	Peeler.
Hume.	Senter.
Kauffman.	Terrell of McLennan.
Meachum.	Watson.
Murray.	Weinert.
Paulus.	Willacy.

Nays—14.

Alexander.	Mayfield.
Brachfield.	Real.
Bryan.	Sturgeon.
Cofer.	Terrell of Bowie.
Greer.	Terrell of Wise.
Harper.	Veale.
Holsey.	Ward.

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

Senator Meachum moved that the Senate recess until 8 o'clock tonight.

The motion was adopted by the following vote:

Yeas—17.

Alexander.	Peeler.
Brachfield.	Real.
Bryan.	Sturgeon.
Cofer.	Terrell of Bowie.
Greer.	Terrell of McLennan.
Harper.	Terrell of Wise.
Holsey.	Ward.
Mayfield.	Willacy.
Meachum.	

Nays—9.

Hudspeth.	Senter.
Hume.	Veale.
Kauffman.	Watson.
Murray.	Weinert.
Paulus.	

Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

## BILL SIGNED BY THE CHAIR.

The Chair gave notice of signing and did sign, in the presence of the Senate after its caption had been read, the following bill:

House bill No. 5, "An Act to prohibit the exhibition or representation of prize fights and glove contests, legal hangings or executions of human beings, or the hanging, burning or other means of execution of human beings by any mob, representations of bull fights, train robberies, stage coach robberies, bank robberies, or of lewd, lascivious or obscene pictures by moving picture films or other means, providing a penalty therefor, and creating an emergency."

## AFTER RECESS.

The Senate was called to order by Lieutenant Governor Davidson, and there being no quorum present, Senator Terrell of McLennan moved that the Senate recess for fifteen minutes. The motion was adopted.

The Senate was again called to order by Lieutenant Governor Davidson, and Senator Willacy moved that the Senate be at ease until 9 o'clock. The motion prevailed.

At 9 o'clock the Senate was again called to order.

## ADJOURNMENT.

Senator Meachum moved that the Senate adjourn until 10 o'clock Monday morning.

Senator Cofer moved, as a substitute, that the Senate recess until 9:15 o'clock tonight.

Action being on the longest time first, the motion to adjourn prevailed by the following vote:

Yeas—13.

Hudspeth.	Real.
Hume.	Senter.
Kauffman.	Terrell of McLennan.
Meachum.	Watson.
Murray.	Weinert.
Paulus.	Willacy.
Peeler.	



## Nays—13.

Alexander.	Mayfield.
Brachfield.	Sturgeon.
Bryan.	Terrell of Bowie.
Cofer.	Terrell of Wise.
Greer.	Veale.
Harper.	Ward.
Holsey.	

## Absent—Excused.

Adams.	Perkins.
Kellie.	Ratliff.

The vote being a tie, Lieutenant Governor Davidson, who was presiding, voted "yea." and declared the Senate adjourned until 10 o'clock Monday morning.

## APPENDIX.

## COMMITTEE REPORTS.

Committee Room,  
Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: Your Committee on Engrossed Bills have carefully examined and compared

Senate bill No. 22, A bill to be entitled "An Act to amend Sections 6 and 7 of Chapter 69 of the Local and Special Laws of the Thirtieth Legislature, being entitled 'An Act to amend the special road law of Van Zandt county, Texas,' as enacted by the Twenty-eighth Legislature, and sent to the Governor for approval on the 18th of March, 1903, and to authorize and empower the commissioners court of said county to issue bonds for the permanent improvement of the public roads of said county, and declaring an emergency,"

And find the same correctly engrossed.

WARD, Chairman.

Committee Room,  
Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: Your Committee on Engrossed Bills have carefully examined and compared

Senate bill No. 21, A bill to be entitled "An Act to authorize and empower Lamar county or any political subdivision of said county by a vote of a two-thirds majority of the resident property taxpayers, qualified voters of such county or political subdivision thereof, voting thereon, to issue bonds

to any amount, not exceeding one-fourth of the assessed valuation of the real property of such county or of such political subdivision, and to levy and collect taxes to pay the interest on such bonds, and to provide a sinking fund for the redemption thereof, for the purpose of constructing, maintaining and operating macadamized, graveled or paved roads and turnpikes, and prescribing ways and means of conducting and supervising said work, and to repeal Chapter 72 of the Special Laws of the Thirty-first Legislature, a special road law for Lamar county, approved March 17, 1909, and declaring an emergency,"

And find the same correctly engrossed.

WARD, Chairman.

Committee Room,

Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: Your Committee on Engrossed Bills have carefully examined and compared

Senate bill No. 20, A bill to be entitled "An Act making an appropriation for a deficiency in support of the State government for the fiscal year ending August 31, 1910, being to pay for the services of a clerk employed by the Tax Commissioner of the State of Texas, and to pay a deficiency in support of the State government, being to pay E. A. Bolmes, Commissioner of Pensions, the sum of \$438.90 for services from June 12, 1909, to August 31, 1909, and declaring an emergency,"

And find the same correctly engrossed.

WARD, Chairman.

(Floor Report.)

Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: We, your Committee on Towns and City Corporations, to whom was referred

House bill No. 40, A bill to be entitled "An Act to incorporate the city of San Antonio, Bexar county, Texas, and to grant it a new charter; to provide for a commission form of government; to define its powers and to prescribe its duties and liabilities; to provide for the approval of said charter by the qualified electors of said city, and to declare an emergency, and to repeal all acts in conflict herewith,"

Have had the same under considera-

tion, and beg to report it back to the Senate with the recommendation that it do pass, and be not printed.

Senter, Chairman; Holsey, Alexander, Willacy, Kauffman, Peeler, Hume, Real, Terrell of McLennan, Cofer, Sturgeon.

(Floor Report.)

Austin, Texas, August 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: We, your Committee on Roads, Bridges and Ferries, to whom was referred

Senate bill No. 22, A bill to be entitled "An Act to amend Sections 6 and 7 of Chapter 69 of the Local and Special Laws of the Thirtieth Legislature, being entitled 'An Act to amend the special road law of Van Zandt county, Texas,' as enacted by the Twenty-eighth Legislature, and sent to the Governor for his approval on the 18th of March, 1903, and to authorize and empower the commissioners court of said county to issue bonds for the permanent improvement of the public roads of said county, and declaring an emergency,"

Have had the same under consideration, and beg to report it back to the Senate with the recommendation that it do pass, and be not printed.

Greer, Chairman; Peeler, Veale, Murray, Sturgeon, Mayfield, Terrell of McLennan, Senter, Paulus.

(Floor Report.)

Austin, Texas, August, 13, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: We, your Committee on Insurance, Statistics and History, to whom was referred House bill No. 7, have had the same under consideration, and beg leave to report it back to the Senate with the recommendation that it do pass and be printed in the Journal.

Hudspeth, Chairman; Watson, Brachfield, Senter, Alexander, Mayfield, Sturgeon, Willacy, Veale, Hume, Terrell of McLennan.

Following is the bill in full:

House bill No. 7. By Cureton et al.

A BILL

To Be Entitled

An Act providing conditions upon which insurance companies writing contracts or policies of insurance against the

hazard of fire may transact business in the State of Texas, and providing for the making, promulgation, regulation and control of schedules, rates and premiums, and forms of policies; and to prevent discrimination therein, and create a State Insurance Board, and prescribing the duties and authority of said board, and each member thereof; to appropriate money therefor, and to provide penalties for violations of this act, and repealing Chapter 18 of the General Laws of the State of Texas, passed by the First Called Session of the Thirty-first Legislature and all other laws and parts of laws in conflict therewith, and declaring an emergency.

Be it enacted by the Legislature of the State of Texas:

Section 1. Every fire insurance company, every marine insurance company, every fire and marine insurance company, every fire and tornado insurance company, and each and every insurance company of every kind and name, issuing a contract or policy of insurance or contracts or policies of insurance against loss by fire on property within this State, whether such property be fixed or movable, stationary or in transit, or whether such property is consigned or billed for shipment within or beyond the boundary of this State, or to some foreign country, whether such company is organized under the laws of this State or under the laws of any other State, Territory or possession of the United States, or foreign country, or by authority of the Federal government, now holding a certificate of authority to transact business in this State, or hereafter granted authority to transact business in this State, shall be deemed to have accepted such certificate and to transact business thereunder, upon condition that it consents to the terms and provisions of this act, and that it agrees to transact business in this State subject thereto. It being intended that every contract or policy of insurance against the hazard of fire shall be issued in accordance with the terms and provisions of this act, and the company issuing the same governed thereby, regardless of the kind and character of such property and whether the same is fixed or movable, stationary or in transit, including the shore end of all marine risks insured against loss by fire.

Sec. 2. That there may be reasonable and just insurance rates in Texas,

there is hereby created a board to be known as the "State Insurance Board," which shall be composed of the Commissioner of Insurance and Banking, who shall be chairman thereof, and two members, who shall be appointed by the Governor by and with the consent of the Senate; the members of said board, other than the Commissioner of Insurance and Banking, shall be appointed as herein provided, within ten days after this act takes effect; one of said members to be so appointed shall be appointed for a term ending August 1, 1911, and biennially thereafter; the other of said members of said board shall be appointed for a term ending August 1, 1912, and biennially thereafter; and the Governor in making his first appointments to fill these respective offices shall designate which of said officers shall fill the term expiring August 1, 1911, and which of said officers shall fill the term expiring August 1, 1912. The Commissioner of Insurance and Banking, for the purposes of this act, may be referred to as the Commissioner of Insurance.

Sec. 3. The members of said board, other than the Commissioner of Insurance and Banking, shall each receive as compensation of their services the sum of twenty-five hundred dollars per annum; and the Commissioner of Insurance and Banking shall receive as compensation or salary for his services, under this act, the sum of five hundred dollars per annum, in addition to his compensation as now fixed by law. Such salaries of the said two appointed members of said board and the said five hundred dollars salary of the Commissioner of Insurance and Banking, together with the necessary compensation of experts, the clerical force, and other employees employed by said board, and all necessary traveling expenses, and such other expenses as may be necessary, incurred in carrying out the provisions of this act, shall be paid by warrant drawn by the Comptroller upon the State Treasurer upon the order of said board; provided that the total amount of all salaries and said other expenses shall not exceed the sum of twenty-five thousand dollars annually, and for the purpose of carrying out the provisions of this act there is hereby appropriated out of any money in the State Treasury not otherwise appropriated the sum of twenty-five thousand dollars, or so much thereof as may be necessary, for the fiscal year beginning

September 1, 1910, and ending August 31, 1911.

Sec. 4. The State Insurance Board shall have the power and authority and it shall be its duty to prescribe, fix, control and regulate rates of fire insurance, as provided in this act. It shall make and prescribe general basis schedules, together with rules and regulations for determining specific rates therefrom, and furnish each insurance company now doing business in this State, or which may hereafter be granted a certificate of authority to do business in this State, a copy of such general basis schedules; and the said board shall also have authority to alter or amend such general basis schedules in accordance with the provisions of this act. Said board shall also supervise, control and regulate rates of insurance, and shall have authority to alter and revise and to raise and lower such rates, and to alter and revise, raise and lower such general basis schedules or any part thereof, and decide all questions required, authorized or permitted to be passed upon by said board, under the provisions of this act. Said board shall also have authority to employ clerical help, experts, inspectors and such other assistants, and to incur such other expenses as may be necessary in carrying out the provisions of this act not to exceed the sum of \$25,000 per annum, including salaries of members of the board and all other expenses to be paid out of the State Treasury.

It shall be the duty of said board to ascertain as soon as practicable the annual fire loss of this State; to obtain, make and maintain a record thereof; and collect such data and information with respect thereto as will enable said board to classify the fire losses of this State, the causes thereof and the amount of premiums collected therefor for each class of risks and the amount paid thereon, in such manner as will be of assistance in determining equitable insurance rates, methods of reducing such fire losses, and reducing the insurance rates of the State.

Sec. 5. For the purpose of facilitating the work of said board, one of the appointed members thereof shall be selected by the board as its Secretary, who shall perform the duties which shall appertain to that position, and whose official title shall be "Secretary of the State Insurance Board;" the other of said appointed members thereof shall be selected by said board as Fire

Marshal of the State Insurance Board, and his official title shall be "Fire Marshal of the State Insurance Board;" but the said members so selected as Secretary and Fire Marshal as aforesaid, shall receive no compensation for filling their respective positions other than their salaries as members of the State Insurance Board, and shall perform the duties of these respective positions at the will of the board, but their expenses incurred in performing the duties of these respective positions shall be paid as provided in this act.

Sec. 6. It shall be the duty of the Fire Marshal of the State Insurance Board, who, for the purpose of this act, may be referred to as the State Fire Marshal, at the discretion of the board, and upon the request of the mayor of any city or village, or the chief of a fire department of any city or village; or of any village fire marshal, where a fire occurs within such city or village; or of a county or district judge; or of the sheriff or county attorney of any county, where a fire occurs within the district or county of the officer making such request; or of any fire insurance company, or its general, State or special agent, interested in a loss; or of a policy holder sustaining a loss; or upon the direction of the State Insurance Board, to forthwith investigate at the place of such fire, the origin, cause and circumstances of any fire occurring within this State, whereby property has been destroyed or damaged, and shall ascertain, if possible, whether the same was a result of an accident, carelessness or design, and shall make a written report thereof to the State Insurance Board, and shall also furnish, in writing, to the county or district attorney of the county in which such fire occurred, all the information and evidence obtained by him, including a copy of all pertinent testimony taken in the case.

Sec. 7. The State Fire Marshal shall have power to administer oaths, take testimony, compel the attendance of witnesses and the production of documents, and to enter, at any reasonable time, any buildings or premises where a fire has occurred or is in progress, or any place contiguous thereto for the purpose of investigating the cause, origin and circumstances of such fire. And he may enter and examine at any reasonable time any building, structure or place for the purpose of ascertaining the fire hazard and may remove or require the owner or occupant to remove or

safely store combustible material, dangerously exposed or improperly placed therein, and to remove any unnecessary exposure to fire hazard found therein; the said State Fire Marshal is hereby authorized when necessary to apply to a court of competent jurisdiction for the necessary writs or orders to enforce the provisions of this section, and in such case he shall not be required to give bond.

Sec. 8. The State Insurance Board shall have authority and it shall be its duty to appoint a Deputy Fire Marshal of the State Insurance Board for every town or village in this State whether incorporated or unincorporated, with or without salary, unless such town or village already has a fire marshal; provided that the expenses and salary of such Deputy Fire Marshal of the State Insurance Board shall be paid by such town, city or village or the inhabitants thereof and not by the State; and such Deputy Fire Marshal of the State Insurance Board so appointed may be known as the Fire Marshal of such town, city or village; and such Deputy Fire Marshal of the State Insurance Board when so appointed shall perform such duties and have such powers and authorities as may be conferred upon him by the State Insurance Board, not inconsistent with law, and shall at all times act in accordance with the orders and directions of the State Insurance Board.

Sec. 9. If, for any reason, the State Fire Marshal is unable to make any required investigation in person he may designate the Fire Marshal of such city, or town, or some other suitable person, to act for him, and such person so designated shall have the same authority as is herein given the State Fire Marshal with reference to the particular matter to be investigated by him, and shall receive such compensation for his services as may be allowed by the State Insurance Board. If the investigation of a fire is made at the request of an insurance company or at the request of a policy holder sustaining loss, or at the request of the mayor, town clerk or chief of the fire department of any city, village or town in which the fire occurred, then the expense of such investigation, including the traveling and other expenses of the Fire Marshal, clerical expenses, witnesses' and officers' fees, incident and necessary to such investigation, shall be paid by such insurance company, or such policy holder, or

such city or town, as the case may be, otherwise the expenses of such investigation are to be paid as part of the expenses of the State Insurance Board. Provided, the party or parties, company or companies requesting such investigation shall before such investigation is commenced deposit with the State Insurance Board an amount of money in the judgment of said board sufficient to defray the expenses of said Fire Marshal in conducting such investigation.

Sec. 10. No action taken by the State Fire Marshal shall affect the rights of any policy holder or any company in respect to a loss by reason of any fire so investigated; nor shall the result of any such investigation be given in evidence upon the trial of any civil action upon such policy, nor shall any statement made by any insurance company, its officers, agents or adjusters, nor by any policy holder or any one representing him, made with reference to the origin, cause, or supposed origin or cause, of a fire to the Fire Marshal or to anyone acting for him or under his directions, be admitted in evidence or made the basis for any action for civil damages.

Sec. 11. The said board is authorized and empowered to require sworn statements from any insurance company affected by this act and from any of its officers, directors, representatives, general agents, State agents, special agents and local agents of the rates and premiums collected for the fire insurance, on each class of risks, on all property in this State during any or all years for the five years next preceding the first day of January, 1910, and of the causes of fires, if such be known, if they are in possession of such data and information, or can obtain it at a reasonable expense; and said board is empowered to require such statements for any period of time after the first day of January, 1910; and said board is empowered to require such statements showing all necessary facts and information to enable said board to make, amend and maintain the general basis schedules, provided for in this act, and the rules and regulations for applying same and to determine reasonable and proper specific rates and to enforce and assist in the enforcement of the provisions of this act. The said board shall also have the right, at its discretion, either personally or by some one duly authorized by it, to visit the offices, whether general, local or otherwise, of any insurance

company doing business in this State, and the home office of said company outside of this State, if there be such, and the office of any officers, directors, general agents, State agents, local agents or representatives of such company, and there require such company, its officers, agents or representatives, to produce for inspection by said board or by its duly authorized representatives, all books, records and papers of such company or such agents and representatives; and the said board or its duly authorized agents or representatives shall have the right to examine such books, records and papers and make, or cause to be made, copies thereof; and shall have the right to take testimony under oath with reference thereto, and to compel the attendance of witnesses for such purpose; and any company, its officers, agents or representatives, failing to make such statements and reports herein referred to and failing or refusing to permit the examination of books, papers and records as herein required, when so called upon, or declining or failing to comply with any provision of this section, shall be subject to the penalties provided for in Section 24 of this act.

Sec. 12. Immediately upon the taking effect of this act or as soon thereafter as practicable, said board is empowered, and it is hereby made its duty, to prepare a system of general basis schedules, together with rules for applying the same, for determining fire insurance rates on property in this State; the said general basis schedules and the rules for applying the same to be at all times reasonable; the said board may employ and use any facts and information now in the possession of or in the records of the present State Fire Rating Board as well as all facts obtainable from and concerning fire insurance companies transacting business in this State, showing the experience of said companies, and charges for premiums on fire insurance, and generally as to the transaction of their said business during the years named in Section 11 of this act or during any other period of time, in order to devise and fix reasonable general basis schedules and rules for applying the same for determining rates. The said board in preparing such general basis schedules showing the rates on all classes of risks, insurable by any company in this State, shall show all charges, credits, terms, privileges and conditions which in any wise affect such rates or the application of

such rates to specific risks or the cost of insurance; provided, that such schedules and the rules for applying same shall be furnished by said board to any and all insurance companies affected by this act applying therefor; and the same shall be furnished to any citizen of this State applying therefor upon the payment of the actual cost thereof; that such general basis schedules and the rules prescribed with reference thereto shall not take effect until said board shall have entered an order or orders fixing the same and shall have given notice to all insurance companies affected by this act, authorized to transact business in this State.

Sec. 13. It is further provided that after the adoption and promulgation of the general basis schedules and the rules and regulations for applying the same as herein provided for by the board, every insurance company writing fire insurance policies within this State, shall, within a reasonable time, file with the State Insurance Board, its application of said general basis schedules to the specific risks of the State, and the specific rates obtained thereby in accordance with the several provisions of this act; and provided further, that any one or more insurance companies may employ, for the application of such general basis schedules and the making of such specific rates, the service of such experts as they may deem advisable for such purpose, but the contract or contracts of employment of such experts shall first be submitted to the State Insurance Board for its approval; provided further, that the State Insurance Board shall have authority, and it shall be the duty of said board personally, or by its agents, to inspect and supervise the work of said experts in the application of said general basis schedules in the determination of specific rates; provided further, that said company or companies shall file with the board copies of all maps, and copies of the analysis of all applications of said general basis schedules to the specific risks of this State, if required to do so by the board. And it shall be the duty of the expert or experts representing the insurance companies, or any insurance company in this State, to furnish at the date of the inspection, to the owners of all risks inspected for the purpose of applying the general basis schedules provided for in this act, a copy of such inspection report, showing all defects

that operate as charges to increase the insurance rate.

It is further provided that the specific rates so made by a company or companies for any city, town, village or locality, shall not take effect, and such company or companies shall not write insurance thereunder until such specific rates shall have been approved by the board; the board shall have authority to reject said specific rates so made or any part thereof, or to alter, amend, modify or change the same; or to permit such specific rates to become effective for a limited time, or any modification or change thereof for a limited time, in its discretion; provided, however, that the said board shall have authority in its discretion to permit the said company or companies to apply the said schedules of basis rates to risks other than mercantile and special hazards without having first submitted the specific rates so made to said board for approval. But such rates, that the board may permit any company or companies to apply without the board's approval, shall always be subject to review by the board and by the proper showing of any policy holder, or holders, may be reduced. It is further provided that all changes made by any company in the specific rates made by it in applying the general basis schedules shall be subject to the review of the board for its approval or disapproval, and shall be reported to the board in such manner and form as may be prescribed by the board. Provided further, that any insurance company or companies affected by this act shall have the right at any time to petition the board for an order changing or modifying the general basis schedules, or the application of the general basis schedules to the specific risks; and the board shall consider such petition as provided in this act and enter such order as the board may deem just and equitable to such company or companies, to competing companies, and to the public. Provided further, also, that any company affected by this act shall have the right to apply to the board for an order permitting such company to reduce the specific rates of insurance on property within this State, and the board shall consider such application and enter such order with reference thereto as it may deem just and equitable to such company, to competing companies and to the public; but in no event shall discrimination be



permitted between persons, or between different classes of risks.

The board shall also have the power and authority to give each city, town, village or locality credit for each and every hazard they may reduce or entirely remove, also for all added fire fighting equipment, increased police protection or any other equipment or improvement that has a tendency to reduce the fire hazard of any such city, town, village or locality. The board shall also have the power and authority to compel any company to give any and all policy holders credit for any and all hazards that said policy holder or holders may reduce or remove. Said credit shall be in proportion to such reduction or removal of such hazard, and said company or companies shall return to such policy holder or holders such proportional part of unearned premiums charged for such hazards that may be reduced or removed.

Sec. 14. It is provided that after the approval by the board of the specific rates made by the insurance companies hereunder, that thereafter when a policy of insurance is written that the policy holder shall be furnished by the company with a copy of the analysis of his specific rate showing the items of charge and credit which determine the rate, unless such policy holder has theretofore been furnished with such analysis of his rate; it is also further provided that the general basis schedules and all specific rates and local tariffs filed in accordance with the provisions of this act shall be open to the inspection of the public, and each local agent shall have and exhibit to the public copies thereof relative to all risks upon which he is authorized to write insurance.

Sec. 15. It is further provided that until the general basis schedules herein provided for shall have been promulgated by the board and the specific rates thereunder made by the companies and approved by the board, that the board shall designate at what rates and under what rules and regulations insurance may be written within this State, and such rates, rules and regulations so designated shall govern all companies writing contracts or policies of fire insurance under the provisions of this act.

Sec. 16. The said board shall have authority, upon reasonable notice, not exceeding thirty days, of its intention to do so, to alter, amend or revise said general basis schedules promulgated by

it, or the specific rates approved or ordered by it, as herein provided, and to give reasonable notice of such alteration, amendment or revisions to the public or to any company or companies affected thereby. Such altered, amended or revised schedules or rates shall be the schedules or rates to be thereafter charged for insurance by any company in this State; provided, that the board may order changes to be made to meet unusual conditions in any particular locality, should such conditions exist or arise, by giving similar notice to the public or to any company affected thereby. Provided, the changes or amendments made to the general basis schedules shall apply only to policies of insurance written after the order of the board making such changes or amendments becomes effective. Provided further, that no policy existing prior to the taking effect of such changes or amendments to the general basis schedules shall be affected by such changes or amendments unless there shall be a change in the hazard of the risk necessitating a change in the rate applicable to such risk, in which event such policy shall be subject to the new rates applicable under the changed or amended general basis schedules.

Sec. 17. It shall be the duty of the State Insurance Board to make, promulgate and establish uniform policies of insurance applicable to the various risks of this State, copies of which uniform policies shall be furnished each company doing business in this State or which may hereafter do business in this State. That after such uniform policies shall have been established and promulgated and furnished the respective companies doing business in this State, such companies shall, within sixty days after the receipt of such forms of policies, adopt and use said form or forms and no other; and all companies which may commence business in this State after the adoption and promulgation of such forms of policies, shall adopt and use the same and no other forms of policies. The said Insurance Board shall also prescribe all standard forms, clauses and endorsements used on or in connection with insurance policies. All other forms, clauses and endorsements placed upon insurance policies shall be placed thereon subject to the disapproval of the board. Provided, no endorsement, clause or rider, so attached to or placed upon any such policy of insurance, shall void or in any way af-

fect such policy or any provision thereof until same shall have first been approved by said board. The board shall also have authority in its discretion to change, alter or amend such form or forms of policy or policies, and such clauses and endorsements used in connection therewith upon giving notice and proceeding in accordance with Section 19 of this act.

Sec. 18. It is provided that any citizen or number of citizens of this State, or any policy holder or policy holders, or any insurance company within this State, or any board of trade, chamber of commerce or other civic organization, or the civil authorities of any town, city or village, shall have the right to file a petition with the Insurance Board setting forth any cause of complaint that they may have as to any order made by this board, or any schedule promulgated by this board, or as to any specific rate approved by this board, and that they shall have the right to offer evidence in support of the allegations of such petition by witnesses, or by depositions or by affidavits; that upon the filing of such petition, the party complained of, if other than the board, shall be notified by the board of the filing of such petition and a copy thereof furnished the party or parties, company or companies, of whom complaint is made, and the said petition shall be set down for a hearing at a time not exceeding fifteen days after the filing of such petition and the board shall hear and determine said petition; but it shall not be necessary for the petitioners or any one of them to be present to present the cause to the board, but they shall consider the testimony of all witnesses, whether such witnesses testify in person or by deposition, or by affidavits, and if it be found that the complaint made in such petition is a just one, then the matters complained of shall be corrected or required to be corrected by said board.

Sec. 19. The State Insurance Board shall give the public and all insurance companies to be affected by its orders or decisions, reasonable notice thereof, not exceeding thirty days, and an opportunity to appear and be heard with respect to the same; which notice to the public shall be published in one or more daily papers of the State, and such notice to the insurance company or companies to be affected thereby shall be by letter deposited in the postoffice, addressed to the State or general agent of

such company or companies, if the address of such State or general agent be known to the board, or, if not known, then such letter shall be addressed to some local agent of such company or companies, or, if the address of a local agent be unknown to the board, then by publication in one or more of the daily papers of the State; and the board shall hear all protests or complaints from any insurance company or any citizen, or any city, town, or village, or any commercial or civic organization as to the inadequacy or unreasonableness of any rates fixed by it or approved by it, or as to the inadequacy or unreasonableness of any general basis schedules promulgated by it or the injustice of any order or decision by it; and if any insurance company, or other person, or commercial, or civic organization, or any city, town or village, which shall be interested in any such order or decision, shall be dissatisfied with any regulation, schedule or rate adopted by such board, such company or person, commercial or civic organization, city, town or village shall have the right, within thirty days after the making of such regulation or order, or rate, or schedule, to bring an action against said board in the district court of Travis county to have such regulation or order or schedule or rate vacated or modified; and shall set forth in a petition therefor the principal ground or grounds of objection to any or all of such regulations, schedules, rates or orders; in any such suit, the issue shall be formed and the controversy tried and determined as in other civil cases, and the court may set aside and vacate or annul any one or more or any part of any of the regulations, schedules, orders or rates promulgated or adopted by said board, which shall be found by the court to be unreasonable, unjust, excessive or inadequate, without disturbing others. No injunction, interlocutory order or decree suspending or restraining, directly or indirectly, the enforcement of any schedule, rate, order or regulation of said board shall be granted.

Provided, that in such suit the court, by interlocutory order, may authorize the writing and acceptance of fire insurance policies at any rate, which in the judgment of the court is fair and reasonable during the pending of such suit, upon condition that the party to such suit in whose favor the said interlocutory order of said court may be, shall execute and file with the Commissioner



of Insurance and Banking a good and sufficient bond to be first approved by said court, conditioned that the party giving said bond will abide the final judgment of said court and will pay to Commissioner of Insurance and Banking whatever difference, in the rate of insurance, it may be finally determined to exist between the rate as fixed by said board complained of in such suit, and the rate finally determined to be fair and reasonable by the courts in said suit; and the said Commissioner of Insurance and Banking, when he receives such difference in money, shall transmit the same to the parties entitled thereto.

Whenever any action shall be brought by any company under the provisions of this section within said period of thirty days, no penalties nor forfeitures shall attach or accrue on account of the failure of the plaintiff to comply with the orders, schedules, rates or regulations sought to be vacated or modified in such action until the final determination of the same.

Either party to any such action, if dissatisfied with the judgment or decree of said court, may appeal therefrom as in other civil cases. No action shall be brought in any court of the United States to set aside any orders, rates, schedules, or regulations made by said board under the provisions of this act until all of the remedies provided for herein shall have been exhausted by the party complaining.

If any insurance company affected by the provisions of this act shall violate any of the provisions of this section, the Commissioner of Insurance shall, by and with the consent of the Attorney General, cancel its certificate of authority to transact business in this State.

Sec. 20. No company shall engage or participate in the insuring or reinsuring of any property in this State against loss or damage by fire, except in compliance with the provisions of this act; nor shall any such company knowingly write insurance at any rate different from the rates provided for in this act, or refund, or remit, in any manner, or by any device, any portion of the rates so established, or extend to any insured or other person any privilege, advantage, favor or inducement except such as is specified in the general basis schedule prepared and established by said board; and pending the fixing and establishment of said schedules and rates by said board, no such company shall

refund or remit in any manner or by any device, any portion of the rates promulgated by the board under this act, or extend to any insured or other person any privileges, advantages, favors, or inducement not authorized by the orders of the board under this act. It shall be unlawful for any insurance company authorized under the terms of this act to transact business in this State to directly or indirectly, by any special rate, tariff, rebate, drawback or other device, charge, demand, collect or receive from any person or persons, a greater or less or different compensation for the insuring of any property in this State, than it charges, demands, collects or receives from any other person or persons for like insurance on risks of like kind and hazard under similar circumstances and conditions; nor shall any company, or its officers, directors, general agents, State agents, special agents, local agents, or its representatives, grant or contract for any special favor or advantage in the dividends or other profits to accrue thereon, or in commissions or division of commissions, or any position, or any valuable consideration, or any inducement not specified in the policy contract of insurance; nor shall such company give, sell or purchase, offer to give, sell or purchase, directly or indirectly, as an inducement to insure or in connection therewith, any stocks, bonds or other securities of any insurance company or other corporation, partnership or individual, or any dividends or profits accrued or to accrue thereon or anything of value whatsoever, not specified in the policy; but nothing in this section or in this act shall be construed to prohibit the company from sharing its profits with its policy holders, provided that such agreement as to profit sharing shall be placed on or in the face of the policy, and such profit sharing shall be uniform and shall not discriminate between individuals or between classes; provided, however, that no part of the profit shall be paid until the expiration of the policy.

Any company, or any of its officers, directors, general agents, State agents, special agents, local agents or its representatives, doing any of the acts in this section prohibited, shall be deemed guilty of unjust discrimination; provided, the board, for good cause shown, may allow risks of like kind and hazard situated in any locality to be written temporarily at a different rate from

such risks similarly situated in other localities without subjecting the company so writing to the penalties hereinafter prescribed for discrimination.

Provided, however, that if any agent or company shall issue a policy without authority, and any policy holder holding such policy shall sustain a loss or damage thereunder, said company or companies shall be liable to the policy holder thereunder, in the same manner and to the same extent as if said company had been authorized to issue said policy, although the company issued said policy in violation of the provisions of this act. But this shall not be construed to give any company the right to issue any contract or policy of insurance other than as provided in this act.

Sec. 21. No person shall knowingly receive or accept from any insurance company or from any of its agents, sub-agents, brokers, solicitors, employes, intermediaries or representatives, or any other person, any rebate of premium payable on the policy or any special favor or advantage in the dividends or other financial profits accrued or to accrue thereon or any valuable consideration, position or inducement not specified in the policy of insurance, and any person so doing shall be guilty of a violation of the provisions of this section, and shall be punished by a fine of not exceeding one hundred dollars, or by imprisonment in the county jail for not exceeding ninety days, or by both such fine and imprisonment.

Sec. 22. The provisions of this law shall not deal with the collection of premiums, but each company shall be permitted to make such rules and regulations as it may deem just between the company, its agents and its policy holders; and no bona fide extension of credit shall be construed as a discrimination, or in violation of the provisions of this act.

Sec. 23. The Commissioner of Insurance, upon ascertaining that any insurance company or officer, agent or representative thereof has violated any of the provisions of this act, may, at his discretion, and with the consent and approval of the Attorney General, revoke the certificate of authority of such company, officer, agent or representative; but such revocation of any certificate shall in no manner affect the liability of such company, officer, agent or representative to the infliction of any other penalty provided by this act, and provided that any action, decision or determina-

tion of the Commissioner of Insurance and Banking and the Attorney General in such cases shall be subject to the review of the courts of this State as herein provided.

Sec. 24. Any insurance company affected by this act, or any officer or director thereof, or any agent or person acting for or employed by any insurance company, who, alone or in conjunction with any corporation, company or person, shall willfully do or cause to be done, or shall willfully suffer or permit to be done any act, matter or thing prohibited or declared to be unlawful by this act, or who shall willfully omit or fail to do any act, matter or thing required to be done by this act, or shall cause or willfully suffer or permit any act, matter or thing directed by this act not to be done, or who shall be guilty of any willful infraction of this act, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than three hundred dollars nor more than one thousand dollars for each offense; provided, that if the offense for which any person shall be convicted, as aforesaid, shall be an unlawful discrimination, such person be punished by a fine not less than three hundred dollars, nor more than one thousand dollars or by imprisonment in the county jail for a period not exceeding ninety days, or by both such fine and imprisonment, for each offense; provided, that the punishment of imprisonment shall not apply to artificial persons; provided, however, that the obeying of any order of said board shall not be construed to be a discrimination and a company, officer, director, agent or employe thereof, shall not be guilty of discrimination for obeying any order of said board.

Sec. 25. No person shall be excused from giving testimony or producing evidence when legally called upon to do so at the trial of any other person or company charged with violating any of the provisions of this act on the ground that it may incriminate him under the laws of this State; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he may testify or produce evidence under this act, except for perjury in so testifying.

Sec. 26. This act shall not apply to purely mutual or to purely profit-sharing fire insurance companies incorporated or unincorporated under the laws of this

State and carried on by the members thereof solely for protection of their property, and not for profit; nor to purely co-operative, inter-insurance and reciprocal exchanges carried on by the members thereof solely for the protection of their property and not for profit.

Sec. 26a. This act shall go into effect and become operative from and after the first day of September, 1910, and not before.

Sec. 27. Chapter 18 of the General Laws of the Thirty-first Legislature, passed by its First Called Session and approved April 19, 1909, entitled "An Act providing the conditions upon which fire insurance companies shall transact business in this State; and providing for the regulation and control of rates of premiums on fire insurance and to prevent discriminations therein; and to create a fire insurance rating board; and to provide penalties for violation of this act, and declaring an emergency," and all other laws and parts of laws in conflict with this act are hereby repealed.

Sec. 28. The fact that there is now no sufficient law in this State prohibiting unjust discriminations in the collection of fire insurance rates as between citizens of this State; nor protecting citizens in securing reasonable rates, constitutes an emergency and an imperative public necessity requiring that the constitutional rule requiring bills to be read on three several days to be suspended and that this act take effect and be in force from and after its passage, and it is so enacted.

#### SIXTEENTH DAY.

Senate Chamber,  
Austin, Texas,

Monday, August 15, 1910.

Senate met pursuant to adjournment, Lieutenant Governor A. B. Davidson presiding.

Roll call, quorum being present, the following Senators answering to their names:

Adams.	Hume.
Alexander.	Kauffman.
Brachfield.	Kellie.
Bryan.	Mayfield.
Cofer.	Meachum.
Greer.	Murray.
Harper.	Paulus.
Holsey.	Peeler.
Hudspeth.	Perkins.

Ratliff.	Terrell of Wise.
Real.	Ward.
Senter.	Watson.
Sturgeon.	Weinert.
Terrell of Bowie.	Willacy.
Terrell of McLennan.	

Absent.

Veale.

Prayer by the Chaplain, Rev. H. M. Sears.

Pending the reading of the Journal of Saturday, on motion of Senator Kellie, the same was dispensed with.

(See Appendix for petitions and memorials and committee reports.)

#### FIRST HOUSE MESSAGE.

Hall of the House of Representatives,  
Austin, Texas, August 15, 1910.

Hon. A. B. Davidson, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following bills:

Senate bill No. 11, A bill to be entitled "An Act to amend Chapter 16 of the Acts of the Regular Session of the Thirty-first Legislature of the State of Texas, approved February 20, 1909, entitled 'An Act authorizing any county in the State of Texas having a population in excess of fifty thousand inhabitants by the last preceding United States census, to submit to the qualified voters the propriety of a bond issue for the construction and maintenance of causeways, viaducts, bridges and approaches across any rivers within the limits of such county, and to provide for the construction, maintenance and use of such causeways, viaducts, bridges and approaches, and declaring an emergency,' by adding thereto Sections 9a and 9b, providing a method by which counties may acquire land upon which to construct and maintain said causeways, viaducts, bridges and approaches, by condemnation, and by grant from cities and counties of the right to use streets, alleys, public highways and public grounds, and to authorize counties to construct said causeways, viaducts, bridges and approaches across the lines of railway, telegraph and telephone corporations, and the method thereof, and declaring an emergency."

Senate bill No. 21, A bill to be entitled "An Act to authorize and empower Lamar county or any political subdivision of said county by a vote of a